

Yate Town Council
Statements of Accounts
for the Year ended 31st March 2005

Yate Town Council

Index

for the Year ended 31st March 2005

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Yate Town Council

Council Information

Mayor

Cllr Margaret Marshall

Councillors

Cllr Mike Robbins (Deputy Mayor)

Cllr Arthur Adams

Cllr Diane Adams

Cllr Justine Aldhouse

Cllr Clare Beasley

Cllr Ian Blair

Cllr Margaret Bracey

Cllr Tony Davis

Cllr Mike Drew

Cllr Sue Evan - Jones

Cllr John Ford

Cllr Alan Lawrance

Cllr David Marshall

Cllr Alan Monaghan

Cllr Martin Monk

Cllr Wully Perks

Cllr Geoff Say

Cllr Cleo Trotter

Cllr Sue Walker

Cllr Chris Willmore

Cllr Audrey Young

Clerk to the Council

Susan Tubey

Responsible Financial Officer (R.F.O.)

Stephanie Davies

Auditors

Mazars LLP

Chartered Accountants and Registered Auditors

Clifton Down House

Beaufort Buildings

Clifton Down, Clifton, Bristol

BS8 4AN

Yate Town Council

Explanatory Foreword

31st March 2005

The council's statements of accounts for the year ended 31 March 2005 are set out on the following pages. They consist of the following statements:

The Consolidated Revenue Account

The council's revenue account, covering income and expenditure on all services.

The categories in this statement have been analysed in accordance with the mandatory expenditure analysis set out in the Best Value Accounting Code of Practice (BVACOP). The statement also incorporate the additional amounts required to be accounted for in respect of the council's pension arrangements in accordance with FRS 17.

The Balance Sheet

This sets out the financial position of the council at 31 March 2005, i.e. its assets and liabilities at that date.

The Cash Flow Statement

This summarises incomes and outflows of cash arising from revenue and capital transactions with third parties.

Statement of Total Movement in Reserves

This is a summarised statement of the total gains and losses enjoyed and suffered by the council and their effect on the council's reserves during the year.

Notes to the Accounts

These provide further information on the amounts included in the financial statements.

This foreword provides a brief explanation of the financial aspects of the council's activities and draws attention to the main characteristics of the financial position, including the year's budget, as summarised below.

Budget Comparison for the year ended 31 March 2005

The following shows a comparison of the budget and outturn figures for 2004/2005

| | Budget £ | Actual £ |
|---|-----------------|-----------------|
| Net expenditure | | |
| Cultural & Heritage | 47,157 | 45,247 |
| Recreation & Sport | 352,899 | 351,230 |
| Open Spaces | 20,794 | 12,603 |
| Community Development | 65,063 | 49,619 |
| Highways Roads (Routine) | 11,459 | 11,671 |
| Other Services to the Public | 18,061 | 16,419 |
| Corporate Management | 163,416 | 174,498 |
| Democratic & Civic | 25,137 | 22,529 |
| Interest Income | (14,000) | (22,022) |
| Net contribution to/(from) reserves and other adjustments | (114,771) | (86,579) |
| Precept on District Council | 575,215 | 575,215 |

The net underspendings on services of £28,192 are reflected in a reduced contribution from reserves and capital expenditure provision.

Yate Town Council

Explanatory Foreword

31st March 2005

Review of Significant Events

During the year Yate Town Council redeveloped the St Mary's Junior Play Area at a cost of approximately £39,000, as part of the council's continuing commitment to improve facilities provided by the council.

Further Information

Further information about the accounts is available from Poole Court, Poole Court Drive, Yate, South Gloucestershire, BS37 5PP. This is part of the council's policy of providing full information about its affairs. Interested members of the public have a statutory right to inspect the accounts before the audit is completed. The availability of the accounts for inspection is advertised in the press and on the notice board outside the council offices.

Yate Town Council

Statement of Responsibilities for the Statements of Accounts

31st March 2005

The Council's Responsibilities

The council is required:

- to make arrangements for the proper administration of its financial affairs
- to secure that one of its officers (R.F.O.) has the responsibility for the administration of those affairs, and
- to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.

The Responsible Financial Officer's Responsibilities

The R.F.O. is responsible for the preparation of the council's statements of accounts in accordance with the 'Code of Practice on Local Authority Accounting in Great Britain' (the code), so far as is applicable to this council, to present fairly the financial position of the council at 31 March 2005 and its income and expenditure for the year then ended.

In preparing the statements of accounts, the R.F.O. has:

- selected suitable accounting policies and then applied them consistently
- made judgements and estimates that were reasonable and prudent, and
- complied with the code.

The R.F.O. has also:

- kept proper accounting records which were up to date, and
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

Responsible Financial Officer's Certificate

I hereby certify that the statements of accounts for the year ended 31 March 2005 required by the Accounts and Audit Regulations 2003 are set out in the following pages.

I further certify that the statements of accounts present fairly the financial position of Yate Town Council at 31 March 2005, and its income and expenditure for the year ended 31 March 2005.

Signed: Eleonora Davies
Responsible Financial Officer

Date: 25 October 2005

Yate Town Council

Statement of Internal Control

31st March 2005

Scope of Responsibility

Yate Town Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

The council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the council is also responsible for ensuring that there is a sound system of internal control which facilitates the effective exercise of the council's functions and which includes arrangements for the management of risk.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

A system of internal control has been in place at Yate Town Council for the year ended 31st March 2005 and up to the date of the approval of the annual report and accounts.

The Internal Control Environment

The system of internal control is based on a framework of codes of conduct, internal regulations (including but not limited to financial regulations) and administrative procedures. It is further enhanced by the regular provision of management and financial information, provided as appropriate to fit the council's policy of delegation and responsibility. The system is constantly monitored by members as well as officers within the council. In particular the system incorporates:

regular reports of service delivery and project performance

comprehensive budgeting systems and project evaluation and management criteria

setting of targets to measure financial and general performance

the preparation and dissemination of regular financial reports measuring actual expenditure against forecasts, for both revenue and capital projects

the regular review of such reports by officers, and by members in committee and at full council

regular risk management reviews on all aspects of the council's operations

Yate Town Council

Statement of Internal Control

31st March 2005

Review of effectiveness

Yate Town Council has responsibility for conducting, at least annually, a review of the effectiveness of the system of internal control. The review of the effectiveness of the system of internal control is informed by the control exercised by members and the work of the internal auditor and the executive managers within the council who have responsibility for the development and maintenance of the internal control environment. It is further enhanced by reports and comments made by the external auditors and other review agencies and inspectorates.

The council has continued to strengthen its internal control regime. In particular, during the year, new terms of reference have been adopted for all council committees, which will further enhance general corporate governance.

We have been advised on the implications of the result of the review of the effectiveness of the system of internal control by the council, relevant committees and the internal auditor and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Significant Internal Control Issues

To date no significant internal control issues have been identified. As such issues arise effective steps will be taken to ensure that matters are addressed, weaknesses eradicated and revised systems implemented at the earliest possible opportunity.

The council intends, in the forthcoming year, to appraise, examine critically, and then strengthen considerably its risk management strategy and procedures

Approval of Statement

This statement was approved at a meeting of the council held on 5th July 2005 when authority was given for the Mayor and the Town Clerk to sign.

Clr Margaret Marshall

Mayor

Date:

M Marshall

5/7/05

Susan Tubey

Town Clerk

Susan Tubey

5 July 05

Yate Town Council

Auditors' Report to the Council

on the Accounts for the Year ended 31st March 2005

We have audited the statements of accounts on pages 9 to 29, which have been prepared in accordance with the accounting policies applicable to local councils as set out on page 13 to 15.

This report is made solely to the members of Yate Town Council in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 54 of the Statement & Responsibilities of Auditors and of Audited Bodies, prepared by the Audit Commission. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the town council for our audit work, for this report, or for the opinion we have formed.

Respective Responsibilities of the Responsible Financial Officer and Auditors

As described on page 4 the R.F.O. is responsible for the preparation of the statements of accounts in accordance with the Statement of Recommended Practice on Local Authority Accounting in the United Kingdom 2004. Our responsibilities as independent auditor are established by statute, the Code of Audit Practice issued by the Audit Commission and our profession's ethical guidance.

We report to you our opinion as to whether the statements of accounts present fairly the financial position of the council and its Income and Expenditure for the year.

We review whether the statement on internal control on pages 5 to 6 reflects compliance with the requirements of CIPFA's guidance 'The Statement on Internal Control in Local Government: Meeting the Requirements of the Accounts and Audit Regulations 2003' published on 2 April 2004. We report if it does not meet the requirements specified by CIPFA or if the statement is misleading or inconsistent with other information we are aware of from our audit of the financial statements. We are not required to consider, nor have we considered whether the Statement of Internal Control covers all risks and controls. We are also not required to form an opinion on the effectiveness of the council's corporate governance procedures. Our review was not performed for any purpose connected with any specific transaction and should not be relied upon for any such purpose.

We read the other information published with the statement of accounts and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the statement of accounts.

Basis of Opinion

We conducted our audit in accordance with the Audit Commission Act 1998 and the Code of Audit Practice issued by the Audit Commission which requires compliance with the relevant auditing standards issued by the Auditing Practices Board.

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the statements of accounts. It also includes an assessment of the significant estimates and judgements made by the council in the preparation of the statements of accounts and of whether the accounting policies are appropriate to the council's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the statements of accounts are free from material misstatements, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of the information in the financial statements.

Yate Town Council

Auditors' Report to the Council

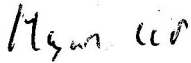
on the Accounts for the Year ended 31st March 2005

Opinion

In our opinion the statements of accounts present fairly the financial position of Yate Town Council at 31st March 2005 and its Income and Expenditure for the year then ended.

Certificate

We certify that we have completed the audit of the accounts in accordance with the requirements of the Audit Commission Act 1998 and the Code of Audit Practice issued by the Audit Commission.

Signature: 

Date: 

Yate Town Council

Consolidated Revenue Account

for the Year ended 31st March 2005

| | Notes | 2005 £ | 2005 £ | 2005 £ | 2004 £ |
|---|-------|----------------------|------------------|--------------------|--------------------|
| | | Gross Expenditure | Income | Net Expenditure | Net Expenditure |
| CULTURAL & RELATED SERVICES | | | | | |
| Cultural & Heritage | | 47,910 | (2,663) | 45,247 | 42,598 |
| Recreation and Sport | | 475,921 | (124,691) | 351,230 | 301,648 |
| Open Spaces | | 18,668 | (6,065) | 12,603 | 39,329 |
| PLANNING & DEVELOPMENT SERVICES | | | | | |
| Community Development | | 49,619 | - | 49,619 | 53,463 |
| HIGHWAYS, ROADS & TRANSPORT SERVICES | | | | | |
| Highways/Roads (Routine) | | 14,782 | (3,111) | 11,671 | 8,056 |
| OTHER SERVICES | | | | | |
| Other Services to the Public | | 17,289 | (870) | 16,419 | 16,253 |
| CENTRAL SERVICES | | | | | |
| Corporate Management | | 176,500 | (2,002) | 174,498 | 137,332 |
| Democratic Representation & Management | | 17,131 | - | 17,131 | 46,791 |
| Civic Expenses | | 5,398 | - | 5,398 | 7,413 |
| | | <u>823,218</u> | <u>(139,402)</u> | <u>683,816</u> | <u>652,883</u> |
| Transfer from Asset Management Revenue Account | 2 | | | (124,492) | (122,399) |
| Interest and Investment Income | 3 | | | (22,022) | (17,995) |
| Pension Fund Financing | | | | 2,000 | 5,000 |
| NET OPERATING EXPENDITURE | | | | 539,302 | 517,489 |
| Transfer to Earmarked Reserves | | | | | |
| Other Earmarked Reserves | 24 | | | 17,806 | 116,388 |
| Transfer from/to Capital Financing Account | | | | | |
| Financing Capital Expenditure | 23 | | | 61,499 | 139,344 |
| Reversal of Depreciation | 23 | | | (131,911) | (128,058) |
| Deferred grants released | 23 | | | 1,570 | 1,109 |
| Loan Repayments | 23 | | | 54,365 | 50,378 |
| Movement in Pensions Reserve | | | | (12,000) | (7,000) |
| AMOUNT TO BE MET FROM PRECEPT | | | | 530,631 | 689,650 |
| Precept on District Council | | | | (575,215) | (558,221) |
| (SURPLUS)/DEFICIT FOR YEAR | | | | <u>(44,584)</u> | <u>131,429</u> |
| GENERAL RESERVE | | | | | |
| General Reserve Balance Brought Forward | | | | 156,583 | 288,012 |
| Surplus/(Deficit) for Year | | | | 44,584 | (131,429) |
| General Reserve Balance Carried Forward | | | | <u>201,167</u> | <u>156,583</u> |

The notes on pages 13 to 29 form part of these accounts.

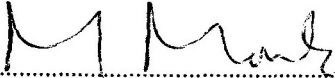
Yate Town Council

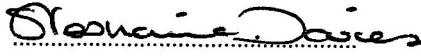
Balance Sheet

as at 31st March 2005

| | Notes | 2005 £ | 2005 £ | 2004 £ |
|--|-------|-----------------|------------------|------------------|
| Fixed Assets | | | | |
| Tangible fixed assets | 13 | | 3,841,469 | 3,924,097 |
| Current Assets | | | | |
| Stock | 16 | 1,424 | | 1,137 |
| Debtors | 17 | 20,072 | | 52,411 |
| Cash at Bank and in hand | | 481,908 | | 382,514 |
| | | <u>503,404</u> | | <u>436,062</u> |
| Current Liabilities | | | | |
| Creditors and accrued expenses | 18 | <u>(70,085)</u> | | <u>(99,610)</u> |
| Net Current Assets | | | | |
| | | | <u>433,319</u> | <u>336,452</u> |
| Total Assets Less Current Liabilities | | | | |
| | | | <u>4,274,788</u> | <u>4,260,549</u> |
| Long Term Liabilities | | | | |
| Creditors - More Than One Year | 20 | | (217,246) | (237,134) |
| Pension Fund Net (Liabilities) | 12 | | (150,000) | (59,000) |
| | | | <u>3,907,542</u> | <u>3,964,415</u> |
| Capital and Reserves | | | | |
| Fixed Asset Restatement Account | 22 | | 3,246,892 | 3,268,324 |
| Capital Financing Account | 23 | | 329,396 | 343,873 |
| Deferred Grants | 21 | | 28,047 | 20,401 |
| Earmarked Reserves | 24 | | 252,040 | 234,234 |
| Pensions Reserve | 12 | | (150,000) | (59,000) |
| General Reserve | | | 201,167 | 156,583 |
| | | | <u>3,907,542</u> | <u>3,964,415</u> |

These accounts have been approved by the Council.


Cllr Martin Monk
Chairman, F & GP Committee
Date: 25 Oct 2005


Stephanie Davies
Responsible Financial Officer
Date: 25 October 2005

Yate Town Council

Cash Flow Statement

for the Year ended 31st March 2005

| | 2005 £ | 2005 £ | 2004 £ (Restated) |
|---|-----------|-----------|-------------------------|
| REVENUE ACTIVITIES | | | |
| <i>Cash outflows</i> | | | |
| Paid to and on behalf of employees | (277,935) | | (252,715) |
| Other operating payments | (231,641) | | (298,461) |
| | | (509,576) | (551,176) |
| <i>Cash inflows</i> | | | |
| Precept on District Council | 575,215 | | 558,221 |
| Cash received for services | 139,706 | | 156,691 |
| Agency receipts | 1,522 | | 1,482 |
| | | 716,443 | 716,394 |
| Net Cash Inflow from Revenue Activities | 27 | 206,867 | 165,218 |
| SERVICING OF FINANCE | | | |
| <i>Cash outflows</i> | | | |
| Interest paid | (15,920) | | (19,908) |
| Interest element of Finance Lease\HP instalments | (712) | | (712) |
| <i>Cash inflows</i> | | | |
| Interest received | 22,022 | | 17,995 |
| Net Cash Inflow/Outflow from Servicing of Finance | | 5,390 | (2,625) |
| CAPITAL ACTIVITIES | | | |
| <i>Cash outflows</i> | | | |
| Purchase of fixed assets | (70,715) | | (161,529) |
| <i>Cash inflows</i> | | | |
| Capital grant received | 12,216 | | 5,685 |
| Net Cash Outflow from Capital Activities | | (58,499) | (155,844) |
| Net Cash Inflow before Financing | | 153,758 | 6,749 |
| FINANCING AND LIQUID RESOURCES | | | |
| <i>Cash outflows</i> | | | |
| Loan repayments made | | (46,698) | (42,710) |
| Hire Purchase and Lease repayments made | | (7,667) | (7,667) |
| Net cash (outflow) from financing and liquid resources | | (54,365) | (50,377) |
| Increase/(Decrease) in cash | 28 | 99,393 | (43,628) |

Yate Town Council

Statement of Total Movement in Reserves

for the year ended 31st March 2005

| | Notes | 2005 £ | 2005 £ | 2004 £ |
|--|-------|-----------|-----------|-----------|
| Surplus/Deficit for the year | | 44,584 | | (131,429) |
| Adjust: Movements on specific revenue reserves | 24 | 17,806 | | 116,388 |
| Adjust: FRS17 Pension Fund Movements | | (12,000) | | (7,000) |
| Adjust: Pension Fund Actuarial Gains/Losses | 12 | (79,000) | | 61,000 |
| Total decrease/increase in revenue resources | | | (28,610) | 38,959 |
| Increase in unapplied grants | | 7,646 | | 7,576 |
| Total increase in realised capital resources | 30 | | 7,646 | 7,576 |
| Losses on revaluation of fixed assets | | - | | - |
| Total decrease in unrealised value of fixed assets | 31 | | - | - |
| Value of assets sold, disposed of or decommissioned | 32 | | (21,432) | (11,218) |
| Financing from capital grants received in previous year | | - | | (13,500) |
| Revenue resources set aside | | (16,047) | | 75,164 |
| Movement on deferred grants | | 1,570 | | 1,109 |
| Total decrease/increase in amount set aside to finance capital investment | 33 | | (14,477) | 62,773 |
| Total decrease/increase in reserves for the year | | | (56,873) | 98,090 |

Yate Town Council

Notes to the Accounts

31st March 2005

1 Statement of Accounting Policies

Accounting Convention

The accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in Great Britain (the code), which is recognised by statute as representing proper accounting practices. These practices are further set out in the Statement of Recommended Practice on Local Authority Accounting in Great Britain (the SORP), together with the Best Value Code of Accounting Practice (BVACOP) where applicable.

It is also a requirement of the code that service revenue accounts include capital charges for all fixed assets used in the delivery of services (See Note 2).

Fixed Assets

All expenditure on the acquisition, creation or enhancement of fixed assets is capitalised on an accruals basis in the accounts. Expenditure on fixed assets is capitalised, provided that the fixed asset yields benefits to the authority and the services it provides, for a period of more than one year. Fixed assets are valued on the basis recommended by the Chartered Institute of Public Finance and Accountancy (CIPFA) and in accordance with the statements of asset valuation principles and guidance notes issued by the Royal Institution of Chartered Surveyors (RICS). The closing balances are stated on the following basis;

land and buildings are included in the balance sheet at Depreciated Replacement Cost (DRC). The DRC basis of valuation requires an estimate of the value of land in its existing use, together with the current replacement cost of the building and its external works, from which appropriate deductions have been made to reflect the age, condition, economic, functional and environmental obsolescence and other locational factors which might result in the existing building being worth less than a new replacement building.

certain community assets are the subject of restrictive covenants as to their use and/or future disposal. Such assets therefore considered to have no appreciable realisable value and are included at a nominal value only.

The surplus or deficit arising on periodic revaluations of fixed assets has been credited or debited to the Fixed Asset Restatement Account. Subsequent revaluations of fixed assets are planned at five yearly intervals, although material changes to asset valuations will be adjusted in the interim period, should they occur.

Impairment

The council is required to carry out a review of the condition of its assets annually to ensure that the values as reflected in the accounts are not materially overstated. Any material overstatement is corrected by additional provisions for impairment of value as required.

No such provisions are considered necessary for the year.

Depreciation Policy

Buildings are depreciated over the shorter of 50 years or the anticipated remaining useful lives on a straight line basis (subject to revaluations as stated above)

Vehicles, plant, equipment and furniture are depreciated over 4 to 10 years on a straight line basis.

Play equipment is depreciated over 20 years at 5% per annum straight line.

Infrastructure assets are depreciated over 20 years at 5% per annum straight line, with effect from 1st April 2002 only.

Community assets are not depreciated because they are of either intrinsic or nominal value.

Yate Town Council

Notes to the Accounts

31st March 2005

Grants or Contributions from Government or Related Bodies

Where a fixed asset has been acquired or improved with the financing either wholly or in part by a grant or contribution from government or a related body, e.g. Sports Council, the amount of the grant has been credited to Deferred Grants Account and carried forward. Grants so credited are released back to revenue over the life of the asset to match, and thereby offset wholly or in part, depreciation charged.

Debtors and Creditors

The revenue accounts of the council are maintained on an accruals basis in accordance with the code. That is sums due to or from the council during the year are included whether or not the cash has actually been received or paid in the year. Exceptions to this are payment of insurance premiums, interest on loans and regular quarterly accounts (e.g. telephones, electricity). This policy is applied consistently each year. Therefore, it will not have a material effect on the year's accounts or on the council's annual budget.

Stocks and Work In Progress

Stocks of stationery are valued at cost. All other stocks have been treated as consumed because their value was not material.

External Loan Repayments

Details of the council's external borrowings are shown at note 20

Leases

Rentals payable under operating leases are charged to revenue on an accruals basis.

Details of the council's obligations under operating leases are shown at note 19

Reserves

The council maintains certain reserves to meet general and specific future expenditure. The purpose of the council's reserves is explained in notes 22 to 24

The introduction of the system of capital accounting has required the establishment of two accounts in the consolidated balance sheet:

the Fixed Asset Restatement Account, which represents principally the balance of the surpluses or deficits arising on the periodic revaluation of fixed assets, and

the Capital Financing Account, which represents revenue or capital resources applied to finance expenditure of a capital nature or for the repayment of external loans and the reversal of depreciation to ensure it does not impact on the amount to be met from precept.

Interest Income

All interest receipts are credited initially to general funds.

Costs of Support Services

The costs of management and administration have been apportioned to all services on an appropriate basis for the first time this year. Information was not available to carry out a similar apportionment for the year ended 31st March 2004. The comparison of net expenditure between the two years is not therefore consistent.

Yate Town Council

Notes to the Accounts

31st March 2005

Pensions

The pension costs that are charged to the council's accounts in respect of its employees are equal to the contributions paid to the funded pension scheme for these employees.

These contributions are determined by the fund's actuary on a triennial basis and are set to meet 100% of the liabilities of the pension fund, in accordance with relevant government regulations.

The next actuarial valuation is due at 31st March 2007 and any change in contribution rates as a result of that valuation will take effect from 1st April 2008.

Custodial Funds

The council were previously custodians of the Goose Green Community Association bank account containing balances of £424.54. It has been resolved that these funds be transferred to Yate Town Council to cover the cost of relocating the seat and bin in Rectory Close, and to provide a further bin on Goose Green. Following this action the account is to be closed.

Yate Town Council

Notes to the Accounts

31st March 2005

| 2 | Asset Management Revenue Account | 2005 | 2004 |
|----------|---|-------------|-------------|
| | | £ | £ |
| | Income | | |
| | Capital Charges | (271,465) | (269,968) |
| | Expenditure | | |
| | Provision for Depreciation | 131,911 | 128,058 |
| | Deferred grants released | (1,570) | (1,109) |
| | External Interest Charges - Loans | 15,920 | 19,908 |
| | External Interest Charges - Lease/H.P. | 712 | 712 |
| | | <hr/> | <hr/> |
| | | (124,492) | (122,399) |
| | | <hr/> <hr/> | <hr/> <hr/> |

The asset management revenue account is maintained to convert the net cost of services (which include notional capital charges) into net operating expenditure (which is the actual cost of providing services). It does this by replacing notional interest charges, intended to represent the cost of tying up resources in assets, with actual external loan repayments.

| 3 | Interest and Investment Income | 2005 | 2004 |
|----------|---------------------------------------|-------------|-------------|
| | | £ | £ |
| | Interest Income - General Funds | 22,022 | 17,995 |
| | | <hr/> | <hr/> |
| | | 22,022 | 17,995 |
| | | <hr/> <hr/> | <hr/> <hr/> |

4 Agency Work

During the year the Council undertook the following agency work on behalf of other authorities:

| Commissioning Authority and Nature of Work | 2005 | 2004 |
|---|-------------|-------------|
| | £ | £ |
| Dodington Parish Council - Playground Inspections | 1,522 | 1,482 |
| | <hr/> | <hr/> |
| | 1,522 | 1,482 |
| | <hr/> <hr/> | <hr/> <hr/> |

A final claim for reimbursement to 31st March 2005 has been made.

During the year the Council commissioned no agency work to be performed by other authorities.

5 Related Party Transactions

The council entered into no material transactions with related parties during the year.

Yate Town Council

Notes to the Accounts

31st March 2005

| | | | |
|----------|-------------------|-------------|-------------|
| 6 | Audit Fees | 2005 | 2004 |
| | | £ | £ |

The council is required to report and disclose the cost of services provided by its external auditors.

These may be summarised as follows:

| | | |
|-----------------------------------|--------------|--------------|
| Fees for Statutory Audit Services | 4,992 | 3,500 |
| Total fees | 4,992 | 3,500 |

7 **Publicity**

Section 5 of the Local Government Act 1986 requires the council to disclose expenditure on publicity. Details are shown under the following broad categories:

| | | |
|---------------------------|--------------|--------------|
| | 2005 | 2004 |
| | £ | £ |
| Recruitment Advertising | - | 729 |
| Heritage Centre Publicity | 500 | 307 |
| Other Advertising | 1,105 | 723 |
| Publicity | 728 | - |
| | 2,333 | 1,759 |

8 **S.137 Expenditure**

Section 137 of the Local Government Act 1972 (as amended) enables the council to spend up to the product of £5.00 (Year Ended 31st March 2004 - £5.00) per head on the electoral roll in any one year for the benefit of people in its area on activities or projects not specifically authorised by other powers.

| | | |
|--|---------------|---------------|
| | 2005 | 2004 |
| | £ | £ |
| The total amount available for this purpose was | 83,690 | 83,945 |
| Expenditure was incurred for the following purposes: | | |
| Grants and Donations | 20,456 | 19,185 |
| | 20,456 | 19,185 |

It should be noted that grants to bodies such as the Citizens Advice Bureau are made under other specific legal powers and so are not included in the above figures.

Yate Town Council

Notes to the Accounts

31st March 2005

9 Members Allowances

| 2005 | 2004 |
|------|------|
| £ | £ |

Members of Council have been paid the following allowances for the year:

Chairman's Allowance

| | |
|-----|-----|
| 825 | 844 |
|-----|-----|

| | |
|-----|-----|
| 825 | 844 |
|-----|-----|

The council has resolved that, other than the Mayor no members allowances will be paid.

10 Employees

The average weekly number of employees during the year was as follows:

| 2005 | 2004 |
|--------|--------|
| Number | Number |

Full-time

| | |
|---|---|
| 7 | 9 |
|---|---|

Part-time

| | |
|----|---|
| 10 | 8 |
|----|---|

| | |
|----|----|
| 17 | 17 |
|----|----|

All staff are paid in accordance with nationally agreed pay scales.

No officer received a salary in excess of £50,000

11 Pension Costs

The cost to the council for the year ended 31st March 2005 was £28,062 (2004 - £25,326). There were no outstanding contributions at the balance sheet date.

The most recent actuarial valuation was carried out as at 31st March 2004, and the council's contribution rate is confirmed as being 12.80% of employees' pensionable pay with effect from 1st April 2005 (year ended 31st March 2005 - 12.10%).

Yate Town Council

Notes to the Accounts

31st March 2005

12 Pension Assets and Liabilities

In accordance with Financial Reporting Standard No 17 - Retirement Benefits, Yate Town Council is required to disclose certain information concerning assets, liabilities, income and expenditure related to pension schemes for its employees.

Yate Town Council participates in the Local Government Pension Scheme, which is administered by The Avon Pension Fund. The Local Government Pension Scheme is a defined benefit scheme based on final pensionable salary.

The most recent valuation was carried out as at 31st March 2004, and has been updated by William M. Mercer Ltd., independent actuaries to the The Avon Pension Fund Pension Fund to take account of the requirements of FRS 17 in order to assess the liabilities of the Fund as at 31st March 2005. Liabilities are valued on an actuarial basis using the projected unit method which assesses the future liabilities discounted to their present value.

The main assumptions used for the purposes of FRS 17 are as follows:

| | 2005 % p.a. | 2004 % p.a. | 2003 % p.a. |
|--------------------------------------|----------------|----------------|----------------|
| Discount Rate | 5.40 | 6.30 | 6.00 |
| Rate of increase in salaries | 4.15 | 3.80 | 3.50 |
| Rate of increase in pensions | 2.90 | 2.80 | 2.50 |
| Rate of inflation | 2.90 | 2.80 | 2.50 |
| Rate of return on Equities | 7.50 | 7.50 | 7.50 |
| Rate of return on Bonds - Government | 4.70 | 4.70 | 4.50 |
| Rate of return on Bonds - Other | 5.40 | 5.50 | 5.40 |
| Rate of return on Property | 6.50 | 6.50 | 6.50 |
| Rate of return on Other assets | 4.75 | 4.00 | 3.80 |

Assets are valued at fair value, principally market value for investments, and comprise:

| | Value (£000) | Value (£000) | Value (£000s) |
|--------------------|-----------------|-----------------|------------------|
| Equities | 385.00 | 346.00 | 243.00 |
| Bonds - Government | 101.00 | 67.00 | 77.00 |
| Bonds - Other | 17.00 | 46.00 | 15.00 |
| Other assets | 5.00 | 4.00 | 16.00 |
| Total | 508.00 | 463.00 | 351.00 |

Yate Town Council

Notes to the Accounts

31st March 2005

12 Pension Assets and Liabilities (cont'd)

The following amounts were measured in accordance with the requirements of FRS 17:

AMOUNTS INCLUDED IN THE COUNCIL'S BALANCE SHEET

PENSION FUND NET ASSETS

Summary of The Avon Pension Fund's Balance Sheet applicable to the council

| | 2005 | 2004 | 2003 |
|--|-------------|-------------|-------------|
| | (£000s) | (£000s) | (£000s) |
| Share of assets in The Avon Pension Fund | 508 | 463 | 351 |
| Estimated liabilities in The Avon Pension Fund | (658) | (522) | (464) |
| Net pensions (deficit) | (150) | (59) | (113) |

PENSION FUND RESERVE

Movement in Surplus/Deficit during the year

| | 2005 | 2004 |
|-------------------------------|-------------|-------------|
| | (£000s) | (£000s) |
| Deficit at 1st April 2004 | | (113) |
| Current Service Cost | | (38) |
| Employer Contributions | | 28 |
| Past Service/Curtailment Cost | | - |
| Net Interest/Return on Assets | | (2) |
| Actuarial Gain | | (79) |
| Deficit at 31st March 2005 | | (59) |

History of Experience Gains and Losses

| | 2005 | 2004 | 2003 |
|---|-----------------|---------------|-----------------|
| | (£000s) | (£000s) | (£000s) |
| Difference between Expected and Actual Return on Assets | 14 | 61 | (118) |
| Value of Assets | 508 | 463 | 351 |
| Percentage of Assets | 2.76% | 13.17% | (33.62)% |
| Experience Gains/(Losses) on Liabilities | 32 | - | - |
| Total Present Value of Liabilities | 658 | 522 | 464 |
| Percentage of the Total Present Value of Liabilities | 4.86% | -% | -% |
| Actuarial Gains/(Losses) Recognised in STMR | (79) | 61 | (118) |
| Total Present Value of Liabilities | 658 | 522 | 464 |
| Percentage of the Total Present Value of Liabilities | (12.01)% | 11.69% | (25.43)% |

Yate Town Council

Notes to the Accounts

31st March 2005

12 Pension Assets and Liabilities (cont'd)

The following amounts were measured in accordance with the requirements of FRS 17:

**AMOUNTS REPORTED IN THE COUNCIL'S
CONSOLIDATED REVENUE ACCOUNT**

Pension Revenue Items during the year

| | (£000s) | (£000s) |
|---|---------|---------|
| Operating Costs | | |
| Current Service Cost | 38 | 27 |
| Past Service Cost | - | - |
| Curtailment Cost | - | - |
| Total Cost | 38 | 27 |
| Financing Gain/(Cost) | | |
| Expected Return on Assets | 33 | 24 |
| Interest on Pension Liabilities | (35) | (29) |
| | (2) | (5) |
| Statement of Actuarial Gains/(Losses) | | |
| Asset Gain/(Loss) | 14 | 61 |
| Liability Gain/(Loss) | 32 | - |
| Change in Assumptions | (125) | - |
| Net Gain/(Loss) per Statement of Total Movement in Reserves | (79) | 61 |

Yate Town Council

Notes to the Accounts

31st March 2005

13 Tangible Fixed Assets

| | Operational Freehold Land and Buildings | Vehicles and Equipment | Infra- structure Assets | Community Assets | Total |
|------------------------|--|-----------------------------------|--|-----------------------------|------------------|
| Cost | £ | £ | £ | £ | £ |
| At 31st March 2004 | 3,275,771 | 785,701 | 306,242 | 3,258 | 4,370,972 |
| Additions | - | 51,930 | 18,785 | - | 70,715 |
| Disposals | - | (34,768) | (8,000) | - | (42,768) |
| | <u>3,275,771</u> | <u>802,863</u> | <u>317,027</u> | <u>3,258</u> | <u>4,398,919</u> |
| Depreciation | | | | | |
| At 31st March 2004 | (198,372) | (218,306) | (30,197) | - | (446,875) |
| Charged for the year | (63,568) | (52,491) | (15,852) | - | (131,911) |
| Eliminated on disposal | - | 20,536 | 800 | - | 21,336 |
| | <u>(261,940)</u> | <u>(250,261)</u> | <u>(45,249)</u> | <u>-</u> | <u>(557,450)</u> |
| Net Book Value | | | | | |
| At 31st March 2005 | <u>3,013,831</u> | <u>552,602</u> | <u>271,778</u> | <u>3,258</u> | <u>3,841,469</u> |
| At 31st March 2004 | <u>3,077,399</u> | <u>567,395</u> | <u>276,045</u> | <u>3,258</u> | <u>3,924,097</u> |

Although classified as capital expenditure, certain minor equipment purchases are not included above as they are not material in overall value.

Fixed Asset Valuation

The freehold and leasehold properties which comprise the council's property have been valued as at 31st March 2001 at insurance values. Valuations have been made on the basis set out in the Statement of Accounting Policies (Note 1). Plant and machinery that form fixtures to the building are included in the valuation of the building.

Vehicles and Equipment Held under Finance Agreements

| | 2005 £ | 2004 £ |
|---|-------------------|-------------------|
| Value as at 31st March 2004 | 20,700 | - |
| Additions to assets held under finance lease/hire purchase agreements | - | 23,000 |
| Depreciation Charged in Year | (2,300) | (2,300) |
| Value as at 31st March 2005 | <u>18,400</u> | <u>20,700</u> |
| Gross Value | <u>23,000</u> | <u>23,000</u> |
| Cummulative Depreciation | <u>4,600</u> | <u>2,300</u> |

Yate Town Council

Notes to the Accounts

31st March 2005

14 Financing of Capital Expenditure

2005 **2004**
£ **£**

The following capital expenditure during the year:

| | | |
|------------------------|--------|---------|
| Fixed Assets purchased | 70,715 | 184,529 |
| | <hr/> | <hr/> |
| | 70,715 | 184,529 |
| | <hr/> | <hr/> |

was financed by:

| | | |
|----------------------------|--------|---------|
| Capital Grants | 9,216 | 8,685 |
| New H.P.\Lease Finance | - | 23,000 |
| Loan Proceeds | - | - |
| Revenue: | | |
| Precept and Revenue Income | 61,499 | 152,844 |
| | <hr/> | <hr/> |
| | 70,715 | 184,529 |
| | <hr/> | <hr/> |

15 Information on Assets Held

Fixed assets owned by the council include the following:

Operational Land and Buildings

- Poole Court
- 3 Pavilions - at 2 recreation grounds
- Parish Hall
- Heritage Centre
- Pop Inn Cafe

Vehicles and Equipment

- Play Equipment at 12 sites
- Community Buildings Furniture and Equipment
- Tractor
- Sundry grounds maintenance equipment
- Sundry office equipment

Infrastructure Assets

- Peg Hill Skateboard Park
- Footpaths - 1
- Bus shelters - 25
- Gates and Fencing

Community Assets

- Childrens' play areas - 8
- Council Regalia

16 Stocks

2005 **2004**
£ **£**

| | | |
|---------------------|-------|-------|
| Stationery Supplies | 1,424 | 1,137 |
| | <hr/> | <hr/> |
| | 1,424 | 1,137 |
| | <hr/> | <hr/> |

Yate Town Council

Notes to the Accounts

31st March 2005

| | | | |
|-----------|--|-------------|-------------|
| 17 | Debtors | 2005 | 2004 |
| | | £ | £ |
| | Trade Debtors | 2,399 | 3,931 |
| | V A T Recoverable | 14,206 | 27,943 |
| | Prepayments and Accrued Income | 3,467 | 17,537 |
| | Grant Debtors | - | 3,000 |
| | | <hr/> | <hr/> |
| | | 20,072 | 52,411 |
| | | <hr/> <hr/> | <hr/> <hr/> |
| 18 | Creditors and Accrued Expenses | 2005 | 2004 |
| | | £ | £ |
| | Loans repayable within one year | 12,222 | 46,698 |
| | H P and Lease Instalments due within one year | 7,667 | 7,667 |
| | Trade Creditors | 28,061 | 19,896 |
| | Other Creditors | - | 8,420 |
| | Accruals and Deferred Income | 21,485 | 16,573 |
| | Booking Deposits Received | 650 | 356 |
| | | <hr/> | <hr/> |
| | | 70,085 | 99,610 |
| | | <hr/> <hr/> | <hr/> <hr/> |
| 19 | Financial Commitments under Operating Leases | 2005 | 2004 |
| | | £ | £ |
| | The council had annual commitments under non-cancellable operating leases for Vehicles and Equipment as follows: | | |
| | Obligations expiring within one year | - | 1,418 |
| | Obligations expiring between two and five years | 8,472 | 4,564 |
| | Obligations expiring after five years | - | - |
| | | <hr/> | <hr/> |
| | | 8,472 | 5,982 |
| | | <hr/> <hr/> | <hr/> <hr/> |

Yate Town Council

Notes to the Accounts

31st March 2005

20 Long Term Liabilities

| | 2005 | 2004 |
|-------------------------|---------|---------|
| | £ | £ |
| Public Works Loan Board | 229,468 | 276,166 |
| H.P. & Lease Creditors | 7,667 | 15,333 |
| | <hr/> | <hr/> |
| | 237,135 | 291,499 |
| | <hr/> | <hr/> |

| | 2005 | 2004 |
|---|----------|----------|
| | £ | £ |
| The above loans are repayable as follows: | | |
| Within one year | 19,889 | 54,365 |
| From one to two years | 9,844 | 19,888 |
| From two to five years | 22,386 | 24,369 |
| From five to ten years | 46,216 | 43,828 |
| Over ten years | 138,800 | 149,049 |
| | <hr/> | <hr/> |
| Total Loan Commitment | 237,135 | 291,499 |
| | | |
| Less: Repayable within one year | (19,889) | (54,365) |
| | <hr/> | <hr/> |
| | 217,246 | 237,134 |
| | <hr/> | <hr/> |

21 Deferred Grants

| | 2005 | 2004 |
|--------------------------------------|---------|---------|
| | £ | £ |
| Balance brought forward | 20,401 | 12,825 |
| Deferred grants in year | 9,216 | 8,685 |
| Released to offset cost/depreciation | (1,570) | (1,109) |
| | <hr/> | <hr/> |
| | 28,047 | 20,401 |
| | <hr/> | <hr/> |

Capital Grants are accounted for on an accruals basis and grants received have been credited to Deferred Grants Account. Amounts are released from Deferred Grants Account to offset any provision for depreciation charged to revenue accounts in respect of assets that were originally acquired with the assistance of such grants.

22 Fixed Asset Restatement Account

| | 2005 | 2004 |
|--------------------------------------|-----------|-----------|
| | £ | £ |
| Balance at 1 April 2004 | 3,268,324 | 3,279,542 |
| Disposal of fixed assets | (42,768) | (20,396) |
| Depreciation eliminated on disposals | 21,336 | 9,178 |
| | <hr/> | <hr/> |
| | 3,246,892 | 3,268,324 |
| | <hr/> | <hr/> |

The system of accounting for local councils requires the establishment of a Fixed Asset Restatement Account. The balance on this reserve represents the value of assets included in the Balance Sheet for the first time, together with subsequent revaluations and disposals. This account will increase or reduce as and when assets are revalued or disposed of.

Yate Town Council

Notes to the Accounts

31st March 2005

| 23 Capital Financing Account | 2005 | 2004 |
|--|----------------|----------------|
| | £ | £ |
| Balance at 1 April 2004 | 343,873 | 281,100 |
| Financing capital expenditure in the year | | |
| - financing from capital grants received in 2003 | - | (13,500) |
| - using revenue balances | 61,499 | 152,844 |
| Reversal of depreciation | (131,911) | (128,058) |
| Deferred grants released | 1,570 | 1,109 |
| | <hr/> | <hr/> |
| Loans Repaid | 275,031 | 293,495 |
| HP/Lease repaid | 46,698 | 42,711 |
| | 7,667 | 7,667 |
| | <hr/> | <hr/> |
| Balance at 31 March 2005 | 329,396 | 343,873 |

The Capital Financing Account represents revenue and capital resources applied to finance capital expenditure or for the repayment of external loans. It also includes the reversal of depreciation to ensure it does not impact on the amount to be met from precept. It does not represent a reserve which the council can use to support future expenditure.

24 Earmarked Reserves

| | Balance at 1/4/2004 | Contribution to reserve | Contribution from reserve | Balance at 31/3/2005 |
|--------------------------|--------------------------------|------------------------------------|--------------------------------------|---------------------------------|
| | £ | £ | £ | £ |
| Other Earmarked Reserves | 234,234 | 203,571 | (185,765) | 252,040 |
| Total Earmarked Reserves | 234,234 | 203,571 | (185,765) | 252,040 |

The Other Earmarked Reserves are credited with amounts set aside from revenue to fund specific known commitments of the council.

The Other Earmarked Reserves at 31/3/2005 are set out in detail at Appendix A.

25 Capital Commitments

The council had no capital commitments at 31st March 2005 not otherwise provided for in these accounts .

26 Contingent Liabilities

The council currently has a public liability claim lodged with its insurers for accidents to a member of the public on council owned property. The council is of the opinion that it is adequately covered by its insurers for any costs arising from these claims. Consequently it is not anticipated that any costs will fall on the council in respect thereof.

The council is not aware of any other contingent liabilities at the date of these accounts.

Yate Town Council

Notes to the Accounts

31st March 2005

| | | | |
|-----------|--|----------------------|-----------------------------|
| 27 | Reconciliation of Revenue Cash Flow | 2005 | 2004 |
| | | £ | £ |
| | Surplus/(Deficit) for the year | 44,584 | (131,429) |
| | Add\(\Deduct) | | |
| | Interest paid | 16,632 | 20,620 |
| | Contributions to provisions and reserves | 17,806 | 116,388 |
| | Revenue contributions to capital | 115,864 | 189,722 |
| | Interest and Investment Income | (22,022) | (17,995) |
| | (Increase)/Decrease in stock held | (287) | 155 |
| | Decrease/(Increase) in debtors | 29,339 | (23,051) |
| | Increase in creditors | 4,951 | 10,808 |
| | Revenue activities net cash inflow | <hr/> 206,867 | <hr/> 165,218 <hr/> |
| | | | |
| 28 | Movement in Cash | 2005 | 2004 |
| | | £ | £ |
| | Balances at 1st April 2004 | | |
| | Cash with accounting officers | - | - |
| | Cash at bank | 382,514 | 426,142 |
| | | <hr/> 382,514 | <hr/> 426,142 <hr/> |
| | Balances at 31st March 2005 | | |
| | Cash with accounting officers | - | - |
| | Cash at bank | 481,908 | 382,514 |
| | | <hr/> 481,908 | <hr/> 382,514 <hr/> |
| | Net cash inflow/(outflow) | <hr/> 99,394 | <hr/> (43,628) <hr/> |

Yate Town Council

Notes to the Accounts

31st March 2005

| | | | |
|-----------|---|------------------------------|---|
| 29 | Reconciliation of Net Funds/Debt | 2005 | 2004 |
| | | £ | £ |
| | Decrease/(Increase) in cash in the year | 99,394 | (43,628) |
| | Cash outflow from repayment of debt | 54,365 | 50,377 |
| | Net cashflow arising from changes in debt | 54,365 | 50,377 |
| | New H P/Lease Agreements | - | (23,000) |
| | Movement in net funds/debt in the year | 153,759 | (16,251) |
| | Cash at Bank and In-hand | 382,514 | 426,142 |
| | Total borrowings | (291,499) | (318,876) |
| | Net Funds at 1st April | 91,015 | 107,266 |
| | Cash at Bank and In-hand | 481,908 | 382,514 |
| | Total borrowings | (237,135) | (291,499) |
| | Net Funds at 31st March | 244,773 | 91,015 |
| 30 | Movement in realised capital resources | 2005 | 2004 |
| | | £ | £ |
| | | Unapplied capital grants etc | Usable capital receipts. and unapplied capital grants etc |
| | Amounts receivable in year | 9,216 | 8,685 |
| | Amounts applied to finance new capital investment | (1,570) | (1,109) |
| | | 7,646 | 7,576 |
| | Brought forward 1st April 2004 | 20,401 | 12,825 |
| | Carried forward 31st March 2005 | 28,047 | 20,401 |

Yate Town Council

Notes to the Accounts

31st March 2005

31 Movement in unrealised value of fixed assets

2005
£ **2004**
£

Fixed Asset Fixed Asset
Restatement Restatement
Account Account

Gains on revaluation

- -
- -

32 Value of assets sold, disposed of or decommissioned

Amounts written off fixed asset balances for disposals

Cost or valuation

(42,768) (20,396)

Less: Depreciation provided

21,336 9,178

(21,432) (11,218)

Total movement on account in the year

(21,432) (11,218)

Brought forward 1st April 2004

3,268,324 3,279,542

Carried forward 31st March 2005

3,246,892 3,268,324

33 Movement in amount set aside to finance capital investment

2005
£ **2004**
£

Capital Capital
Financing Financing
Account Account

Prior year adjustment for grant funding

- (13,500)

Revenue resources set aside

capital expenditure set aside from revenue

61,499 152,844

provision for loan repayments

54,365 50,378

reconciling amount re depreciation

(131,911) (128,058)

Total revenue resources set aside

(16,047) 75,164

Deferred grants released to offset depreciation

1,570 1,109

Total movement on account for the year

(14,477) 62,773

Brought forward 1st April 2004

343,873 281,100

Carried forward 31st March 2005

329,396 343,873